Bringing of excise and service tax at par

1423. SHRI TARIQ ANWAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government propose to bring Excise and Service Tax rates at par or closer;

(b) if so, the details thereof; and

(c) how it will be profitable for the consumers?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) to (c) A duty of excise called the Central Value added Tax (CENVAT) is levied on excisable goods which are produced or manufactured in India. The mean CENVAT rate is 16% of the value of goods. Service tax is levied on taxable services at the rate of 12% of the value of taxable services. Finance Minister in his Budget 2006-07 speech has stated that there is a large consensus that the country should move towards a national level Goods and Services Tax (GST) and hence we must converge the service tax rate and CENVAT rate. World over, goods and services attract the same rate of tax.

The task force on Implementation of the Fiscal Responsibility and Budget Management Act, 2003 in its report of July, 2004 observed 'Stand alone taxation of both goods and services is structurally inconsistent with the scheme of input credit across goods and services which is so vital to eliminating multiple taxation and cascading effects'.

NPAs of Nationalised Banks

1424. SHRI JANARDHANA POOJARY: Will the Minister of FINANCE be pleased to state:

(a) what is the current NPA of each of the Nationalised Banks, with figures for last three years;

(b) how does NPA of Nationalised Banks compared with those of large private banks for same period;